

Questions and Answers for Section 32 Assistance for 2009 Crop Losses, Poultry, and Aquaculture

Please confirm the answers with your local Farm Service Agency office after the regulations are published.

1. What programs are being offered?

There are 3 programs: (a) \$550 million for the 2009 crops of cotton, rice, soybeans and sweet potatoes; (b) \$60 million for poultry producers who have empty bird houses due to the bankruptcy of Pilgrim's Pride; and (c) \$20 million for aquaculture.

2. Why are the programs limited to these crops?

This proposal will provide much-needed assistance, but it is far from perfect. Chairman Lincoln believes producers of all crops who suffered from natural disasters should qualify for this disaster assistance. The Chairman's legislation accomplished this goal. Unfortunately, the program announced by the United States Department of Agriculture (USDA) does not. These crops included are important to Southern agriculture and the current safety net programs do not work well for Southern producers.

3. When will the money be in the hands of farmers?

Farmers will be able to sign up and receive payments for the row crop payments sometime in October at their county USDA Farm Service Agency.

Find your local office here: [USDA Farm Service Agency](#)

The poultry and aquaculture programs will be administered through the [State of Arkansas](#) who will provide grants to speed up payments.

4. What are the details of the row crop program?

- The eligible crops are the 2009 crops of upland cotton, rice, soybeans and sweet potatoes.
- The eligible counties include Secretarially-designated primary disaster counties due to a high precipitation related condition. All Arkansas counties will be eligible, except Polk and Madison counties which have little row crop production.
- Farmers must incur at least a five percent yield and/or quality loss for a crop. Traditional disaster programs required a 35 percent loss; this program only requires a 5 percent loss so the threshold to qualify is much lower. Each crop

stands on its own. A producer will be eligible to receive a payment for each crop that has a 5 percent loss.

- Farmers will receive payments on ALL of their planted or prevented acres times 3.7 percent of the crop's national per acre value. The per acre value is calculated using the crop's national average yield times the national average price.
 - Long grain rice: \$31.93 per acre.
 - Medium/short grain rice: \$52.46 per acre.
 - Soybeans: \$15.62 per acre.
 - Upland cotton: \$17.70 per acre.
 - Sweet potatoes: \$155.41 per acre.

5. Why is the program limited to these crops and only in disaster counties due to high precipitation?

Again this proposal will provide much-needed assistance, but it is far from perfect. Chairman Lincoln believes producers of all crops who suffered from natural disasters should qualify for this disaster assistance. Chairman Lincoln's legislation accomplished this goal. Unfortunately, USDA's program does not. These crops are important to Southern agriculture and to Arkansas where the current safety net programs do not work well for producers.

6. Why is this program only \$630 million when the Administration promised you \$1.5 billion?

This is not about a dollar figure. This is about helping those producers most in need. While Chairman Lincoln would have preferred that the program look like the Chairman's original disaster legislation which helps producers of all crops in all regions, it still goes a long way in helping those producers most in need, especially those in Arkansas.

7. What is the source of the funding?

The administration used \$630 million in discretionary funding from Section 32, just as they have done for about 20 other ad hoc programs.

8. Does this mean that less money will be spent on specialty crop purchases and child nutrition programs?

No. The Secretary of Agriculture has assured the Chairman that there will be NO reduction in funds to specialty crops purchases or child nutrition programs. USDA will use funds from the Commodity Credit Corporation (CCC) to ensure that spending remains unchanged for specialty crops and nutrition.

9. Who will determine if a producer has a 5-percent loss?

A producer will be required to certify, subject to spot check, that the farm's 2009 yield is 5 percent below an historical average. The 2009 yield may be compared to historical averages such as your crop insurance yield if you have one, or a county average. The 5 percent loss requirement can be met through a combination of quantity and quality losses. Be sure to check with your FSA county office to make sure you understand the requirements.

10. Will my ad hoc disaster payment make a producer ineligible for SURE?

No. You are eligible for both ad hoc payments and the SURE program. However, the ad hoc payment may reduce your SURE benefits because the ad hoc payment counts as "revenue" under the SURE program.

11. What are the basics of the aquaculture program?

Producers will receive assistance for their high feed costs in 2009, similar to the program grant program previously administered by the Arkansas Agriculture Department. The amount of the grant will be based on feed purchases.

12. What are the basics of the poultry program?

Poultry producers who have empty bird houses due to the bankruptcy of Pilgrim's Pride will be eligible for cash grants from the Arkansas Agriculture Department. The program will be administered through the Arkansas Agriculture Department. The amount of the grant will be based on a producer's previous 12-month receipts.

13. What programs are available for cattle producers?

The 2008 farm bill created new permanent disaster programs for cattle producers called the Livestock Indemnity Program, and the Livestock Forage Disaster Program. In addition, producers may also be eligible for crop insurance and the Non-Insured Assistance Program. Contact your FSA county office for more details.